MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2015/2016

BBS2044 – BUSINESS AND SOCIETY

(All sections / Groups)

16 OCTOBER 2015
3.00 p.m. -5.00 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question Paper consists of **four (4)** pages inclusive of the cover page.
2. Please answer **THREE (3)** questions in **Section A** and **ONE (1)** question in **Section B**. Each question is worth 25 marks.
3. Please write all your answers in the answer booklet provided.

SECTION A: Answer any THREE (3) questions

QUESTION 1

a. There are several ways in which businesses and their initiatives or activities have addressed some critical concerns facing communities. Discuss in what ways can business create collaboration with the society.

(13 marks)

b. "Profit is undoubtedly the ultimate goal of all businesses, but honesty is always the best policy and it pays to be honest." Briefly explain **FIVE** of the seven habits of highly moral leaders.

(12 marks)

QUESTION 2

a. The role of government in regulating businesses has becoming very important. Why does government regulate business? Gives **THREE (3)** reasons.

(10 marks)

b. ENRON is one of the most discussed governance failures in the past. Consider what steps a business can take to practice good corporate governance in order to ensure that stakeholders' interest is not jeopardised.

(15 marks)

QUESTION 3

a. Employee is one of the important internal stakeholders in business. What kinds of employment practices are clearly discriminatory in a corporation and is considered immoral?

(12 marks)

b. In the era of advanced information technology, it seems that employer and employees have committed unethical behaviour which creates negative impact to the business. Discuss with examples how the use of information technology can disregard ethical considerations.

(13 marks)

QUESTION 4

a. Discuss some of the negative impacts that corporations have had on the environment by referring to some examples you have come across during the course. Recommend how corporations can demonstrate positive responsibility to the environment.

(13 marks)

Continued...

b. Corporate Social Responsibility (CSR) which covers a wide spectrum of issues has a profound effect on the conduct of businesses globally". However, there are corporations who are against or not keen to practice corporate social responsibility (CSR). Explain THREE reasons why some companies are against the practice of CSR.

(12 marks)

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SECTION B : Answer One (1) question only

QUESTION 1

Michael is a production manager at a toy manufacturing plant. In his role, he selects vendors for a number of the materials used in the production process. You know that Michael usually picks suppliers with whom he has a good relationship, even when they are not the lowest bidder. Most recently, you've noticed that a very large purchase was made from the vendor that regularly hosts Michael at the local basketball games. You know another vendor has a significantly lower price and you wonder whether Michael's decisions are biased. When you ask him about it, he explains that having a good relationship with your supplier ensures good quality service and that is more important than price.

a. Does Michael's reasoning in selecting the supplier justified?

(8 marks)

b. Other than business managers and owners, which other stakeholders might have a stake in business decisions?

(5 marks)

c. Is Michael's action considered unethical? Discuss

(12 marks)

(Total: 25 marks)

QUESTION 2

Product information issues comprise a major area in the business-consumer stakeholder relationship. Foremost among these is advertising. A company that manufactures vitamins has made vitamins for preschool children that look and taste like candy. The company advertises heavily on children's TV programs. Although the ads mention health benefits from the vitamins, that message is clearly secondary to the message of the good taste and colourful packaging to which the preschool children react positively.

a. Is such advertising morally justifiable? Explain.

(12 marks)

b. What is misleading advertisement? Explain.

(5 marks)

c. Give an example of a major abuse of advertising from your own observations and experiences. How do you feel about this as a consumer?

(8 marks)

(Total: 25 marks)
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